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BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2014-69 -S

IN RE:)
)
Application of Palmetto Wastewater)
Reclamation LLC d/b/a Alpine)
Utilities and d/b/a Woodland Utilities for)
adjustment of rates and)
charges for, and the modification of)
certain terms and conditions related to,)
the provision of sewer service.)
_____)

**REBUTTAL TESTIMONY OF
MARION F. SADLER, JR.**

1 **Q. ARE YOU THE SAME MARION SADLER WHO HAS PRESENTED**
2 **DIRECT TESTIMONY IN THIS MATTER?**

3 **A.** I am.

4 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY IN THIS**
5 **PROCEEDING?**

6 **A.** The purpose of my rebuttal testimony is to address, on behalf of Palmetto
7 Wastewater Reclamation LLC, or "PWR," certain of the assertions made in the
8 direct testimony of Mr. Alexis F. Warmath on behalf of the intervenors.

9 **Q. WHAT ARE THESE ASSERTIONS AND WHAT COMMENTS DO YOU**
10 **HAVE ON THEM?**

11 **A.** The first assertion I want to address is Mr. Warmath's statement that "any
12 differences in strength or concentration of pollutants in wastewater has an
13 insignificant impact on treatment costs except in the case of certain types of

1 industrial customers that generate particularly high-strength waste is not a
2 significant factor on treatment costs.”

3 I disagree with this statement for several reasons.

4 **Q. WOULD YOU PLEASE STATE YOUR REASONS FOR DISAGREEING**
5 **WITH THIS STATEMENT?**

6 **A.** Yes. Contrary to Mr. Warmath’s statement, many commercial
7 establishments generate wastewater have a significantly higher strength than
8 typical domestic wastewater. In the original Guidelines developed by the PCA that
9 I discussed in my direct testimony, churches, patients at clinics, factories with
10 kitchen facilities, fairgrounds, restaurants, picnic parks, schools, service stations,
11 stadiums without a restaurant, swimming pools, and theaters were all deemed to
12 have wastewater that was fifty percent or higher in strength than typical domestic
13 wastewater. The PWR Alpine system has over one hundred seventy five
14 commercial customers, many of which fit into these categories. While the impact
15 of these customers on treatment costs may not be overwhelming, I would not call
16 it insignificant. It may be insignificant to some large governmental wastewater
17 systems, but I do not think it is insignificant to a small investor owned utility system
18 such as PWR’s Alpine system.

19 Also, I am aware that the City of Columbia – which owns the largest
20 municipal wastewater treatment system in this State -- has a rate structure which
21 imposes an additional charge for customers whose wastewater has a five-day
22 biochemical oxygen demand, or BOD, or suspended solids of greater than 300
23 milligrams per liter, or “mg/l.” Although many of these type customers will consist

1 of industrial customers of the type mentioned in Mr. Warmath's testimony, they
2 can also include commercial customers such as restaurants. The applicable City of
3 Columbia ordinances containing these provisions are found in sections 23-107 and
4 23-108 of the City Code of Ordinances. I have attached as MFS Rebuttal Exhibit
5 1 and MFS Rebuttal Exhibit 2, respectively, certified true copies of these
6 ordinances.

7 Finally, I would note that food service establishments such as that operated
8 by the intervenor Arch Enterprises, LLC, not only constitute a significant source of
9 fats, oils, and grease as has been discussed by PWR witness Rick Melcher, but these
10 establishments are subject to strict regulation by the Department of Health and
11 Environmental Control. The regulations governing these types of operations,
12 which would include S.C. Code Regs. 61-25.V.A.1, require more frequent, and in
13 some cases almost constant, cleaning that a residential customer does not have to
14 perform. So, clearly, the wastewater discharged by a restaurant that prepares and
15 serves hundreds, if not thousands, of meals per day is liable to have greater
16 concentrations of commercial detergents in its wastewater than would a residential
17 customer. The peak daily flow that was part of the forty gallons per car here is no
18 basis for the contention that residential and commercial wastewater are essentially
19 the same in terms of pollutant strength. And, because of the type of business they
20 operate, laundromats and carwashes will have a higher concentration of detergent
21 in their wastewater flows than will residential customers.

22 **Q. DO YOU DISAGREE WITH OTHER ASSERTIONS BY MR. WARMATH?**

1 **A.** Yes. Mr. Warmath criticizes the proposed rate design and contends that by
2 multiplying the total of single family equivalents, or “SFEs,” served by PWR by
3 the flow associated with that number of SFEs, he has demonstrated “an unrealistic
4 estimate of total system flows.” This contention is without merit because Mr.
5 Warmath has confused the concept of maximum design flows under the guidelines
6 and total system flows. The guidelines establish maximum flows for each class and
7 category of wastewater customer individually to determine how much capacity
8 must be built into a treatment plant to serve that customer if it uses all of its
9 plumbing fixtures and water discharging appliances all at one time. It is not
10 intended to determine total flow of a treatment plant as Mr. Warmath suggests
11 because it is not reasonable to assume that all customers will be making use of their
12 maximum discharge capacities all at once. It would be inefficient, to say the least,
13 to design a plant capable of handling the maximum discharge capacity of all
14 customers all at one time. This concept is not dissimilar to the construction of a
15 telecommunications network. While a telephone utility may have a system in place
16 that will allow customers to use telecommunications services at any given moment,
17 the network is not designed so that every telephone customer served by the utility
18 can all be on the telephone all at one time.

19 I also disagree with Mr. Warmath’s assertion that Mr. Wallace improperly
20 includes a second peak flow factor in his formula that determined the ten gallon per
21 car loading factor for fast-food restaurants with drive-thru facilities. In my opinion,
22 by lowering the loading factor to the ten gallons, the peak daily flow that is part of
23 the forty gallons contained in the guidelines, essentially eliminates -- or at least

1 significantly reduces -- the peak demand component that is inherent in the unit
2 contributory loadings.

3 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

4 **A.** Yes, it does.

Sec. 23-107. Determination of character and strength of wastes; accidental discharges; confidentiality of information; publication of names of noncomplying users.

- (a) The industrial waste and/or other pollutants being discharged by any person into the sanitary sewerage system shall be subject to periodic inspection. A determination of character and strength of those wastes shall be made quarterly, or more often as may be deemed necessary, by the approving authority or his authorized assistants.
- (b) Samples shall be collected in such a manner as to be representative of the wastes being discharged. The laboratory methods followed in the examination of those wastes shall be those as set forth in 40 CFR 136 and amendments thereto.
- (c) The determination of the character, strength or quantity of the wastes as made by the approving authority or his authorized assistants shall be binding as a basis for computation of charges or for actions by the city. The person discharging such wastes may, however, conduct his own sampling and analytical program and submit to the approving authority the results relating to character, strength and quantity of the wastes. In such cases, however, the securing of samples shall be in accordance with methods acceptable to the approving authority, and the laboratory procedures followed in analyzing the samples shall be as specified in subsection (b) of this section. Acceptance or rejection of the results thus submitted shall be a right reserved for the approving authority.
- (d) The approving authority may require any permit holder to construct and maintain a wastewater monitoring facility of a design or configuration acceptable and sufficient to accomplish monitoring requirements as set forth in the permit.
- (e) The sampling, analysis and flow measurement procedures, equipment, data and test results shall be subject at any reasonable time to inspection by the approving authority. The approving authority may require the submission of all discharge monitoring results generated by testing methods described in 40 CFR 136. Flow measurement systems and all appropriate equipment shall be regularly calibrated in accordance with procedures acceptable to the approving authority.
- (f) Dischargers shall notify the approving authority immediately (within 24 hours) by telephone or in person upon discharging wastes in violation of this article accidentally or otherwise. Such notification shall be followed, within five days of the day of occurrence, by a detailed written statement to the approving authority, describing the causes of the accidental discharge and the measures being taken to prevent future occurrences. The approving authority may require the discharger to conduct followup testing in accordance with methods described in 40 CFR 136 and submit the test results within a specified timeframe. Dischargers are required to take all reasonable countermeasures to stop the discharge and to neutralize its effect, if possible. The approving authority may require the dischargers to provide protection from accidental discharge of prohibited materials or other wastes controlled by this article.

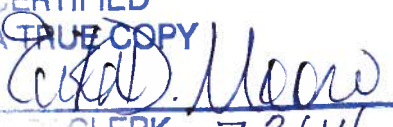
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- (g) Should measurements or other investigations indicate that the industrial wastewater discharger has discharged wastewater, the constituents of which are significantly different in quantity or quality from those stated by the discharger, the approving authority shall notify the discharger and require that the discharger furnish all information in his possession that is relevant.
- (h) Information and data on a user obtained from reports, questionnaires, permit applications, permits and monitoring programs and from inspections shall be available to the public or other governmental agencies without restriction unless the user specifically requests and is able to demonstrate to the satisfaction of the city that the release of such information would divulge information, processes or methods of production entitled to protection as trade secrets of the user. When requested by the person furnishing a report, the portions of a report which might disclose trade secrets or secret processes shall not be made available for inspection by the public but shall be made available upon written request to governmental agencies for uses related to this article, the National Pollutant Discharge Elimination System permit, the state disposal system permit and/or the pretreatment programs; provided, however, that such portions of a report shall be available for use by the state or any state agency in judicial review or enforcement proceedings involving the person furnishing the report.
- (i) The approving authority shall at least annually provide public notification, in the largest daily newspaper published in the metropolitan Columbia sewer service area, of industrial users which during the previous 12 months were, at least once, in significant noncompliance with any provision of this article or any condition or limitation of a permit issued in accordance with this article.

(Code 1979, § 5-3006)

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Sec. 23-108. Liability for extra costs incurred by city; charge for excess BOD or suspended solids.

- (a) *Liability for costs associated with violation.* Any person who violates any provision of this article, or any condition or limitation of a permit or plan approval related thereto, shall be financially responsible and liable to the city, in addition to normal service charge and surcharges for industrial wastes, for all costs incurred by the city associated with the violation of this article, including but not limited to the following:
- (1) Costs of mileage and labor incurred in detecting and correcting the violation.
 - (2) Laboratory analysis costs associated with detecting and correcting the violation.
 - (3) Additional treatment costs caused by the violation or associated with detecting and correcting the violation.
 - (4) Repair and/or replacement of any part of the sewerage system damaged by the violation.
 - (5) Any liability, damages, fines or penalties incurred by the city as a result of the violation.
 - (6) Other costs as are associated with the detecting and correcting of the violation.
- (b) *Surcharge for excess BOD or suspended solids.* If any person discharges into the sanitary sewerage system a waste containing BOD concentration or suspended solids in excess of 300 milligrams per liter, then such person shall pay an additional cost according to rates determined by the city council. This monthly surcharge will be assessed on each pound of BOD and each pound of suspended solids in excess of 300 milligrams per liter as follows:

	BOD Rate	Suspended Solids Rate
Effective July 1, 1998	\$0.08	\$0.06
Effective July 1, 1999	0.11	0.08
Effective July 1, 2000	0.14	0.10
Effective July 1, 2001	0.17	0.12
Effective July 1, 2002	0.20	0.14

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Cathy D. Moore
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Effective July 1, 2002	0.20	0.14
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- (c) *Liability for additional expense in handling and treatment of waste.* If any person discharges into the sanitary sewerage system a waste which, because of its particular or unusual character, imposes an unusual burden on the sanitary sewerage system and the waste treatment facilities, and causes the city to incur additional expenses in the handling (conveying) and treatment of the waste by reason of (but not limited to) provision of additional personnel, provision of additional equipment or structures, increase in operating costs, and decrease in efficiency of treatment processes required by and resulting from the handling and treatment of the waste, then such person shall be charged for such additional expense over and above the other charges set forth in this section. The approving authority shall determine whether any person is causing the city to incur such additional expense and, if so, the amount of such additional expense.

(Code 1979, § 5-3007; Ord. No. 98-58, 8-19-98)

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